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2005
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2005)

IMPORTANT NOTICE
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION
 THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY
 PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE
 OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE
 ANY INFORMATION ON OR BEFORE THE DUE DATE WILL
 RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM
 HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

<p>I. IDPH Facility ID Number: <u>0033589</u></p> <p>Facility Name: <u>Kenwood Healthcare Center</u></p> <p>Address: <u>6125 South Kenwood Ave.</u> <u>Chicago</u> <u>60637</u> Number City Zip Code</p> <p>County: <u>Cook</u></p> <p>Telephone Number: <u>(773) 752-6000</u> Fax # <u>(773) 752-4857</u></p> <p>IDPA ID Number: <u>363559960001</u></p> <p>Date of Initial License for Current Owners: <u>04/01/1988</u></p> <p>Type of Ownership:</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td><input checked="" type="checkbox"/> PROPRIETARY</td> <td><input type="checkbox"/> GOVERNMENTAL</td> </tr> <tr> <td><input type="checkbox"/> Charitable Corp.</td> <td><input type="checkbox"/> Individual</td> <td><input type="checkbox"/> State</td> </tr> <tr> <td><input type="checkbox"/> Trust</td> <td><input type="checkbox"/> Partnership</td> <td><input type="checkbox"/> County</td> </tr> <tr> <td>IRS Exemption Code _____</td> <td><input type="checkbox"/> Corporation</td> <td><input type="checkbox"/> Other _____</td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/> "Sub-S" Corp.</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Limited Liability Co.</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>In the event there are further questions about this report, please contact: Name: <u>Charles J. Fischer</u> Telephone Number: <u>(312) 634-4580</u> Please send copies of desk review and audit adjustments to address on this page</p>	<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL	<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State	<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County	IRS Exemption Code _____	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____		<input checked="" type="checkbox"/> "Sub-S" Corp.			<input type="checkbox"/> Limited Liability Co.			<input type="checkbox"/> Trust			<input type="checkbox"/> Other _____		<p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/2005</u> to <u>12/31/2005</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table style="width: 100%;"> <tr> <td style="width: 30%;">Officer or Administrator of Provider</td> <td>(Signed) _____ (Type or Print Name) _____ (Date) _____</td> </tr> <tr> <td>Paid Preparer</td> <td>(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____</td> </tr> <tr> <td></td> <td>(Print Name and Title) _____</td> </tr> <tr> <td></td> <td>(Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLI</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u></td> </tr> <tr> <td></td> <td>(Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u></td> </tr> <tr> <td colspan="2"> MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630 </td> </tr> </table>	Officer or Administrator of Provider	(Signed) _____ (Type or Print Name) _____ (Date) _____	Paid Preparer	(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____		(Print Name and Title) _____		(Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLI</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u>		(Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u>	MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630	
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SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 2

Facility Name & ID Number Kenwood Healthcare Center# 0033589 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,
(must agree with license). Date of change in licensed bedsN/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>128</u>	Skilled (SNF)	<u>128</u>	<u>46,720</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4	<u>190</u>	Intermediate/DD	<u>190</u>	<u>69,350</u>	4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>318</u>	TOTALS	<u>318</u>	<u>116,070</u>	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF	<u>5,016</u>	<u>47</u>	<u>2,388</u>	<u>7,451</u>	8
9	SNF/PED					9
10	ICF	<u>72,547</u>	<u>657</u>	<u>257</u>	<u>73,461</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>77,563</u>	<u>704</u>	<u>2,645</u>	<u>80,912</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 69.71%

D. How many bed-hold days during this year were paid by the Department?

None (Do not include bed-hold days in Section B.)E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)None

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES ☒NO ☐Non-allowable costs have been
eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐NO ☒

I. On what date did you start providing long term care at this location

Date started 04/01/1988

J. Was the facility purchased or leased after January 1, 1978?

YES ☒Date 04/01/1988NO ☐

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐

If YES, enter number

of beds certified 64 and days of care provided 2,388Medicare Intermediary Mutual of Omaha

IV. ACCOUNTING BASIS

ACCRUAL ☒ MODIFIED
CASH* ☐ CASH* ☐Is your fiscal year identical to your tax year YES ☒ NO ☐Tax Year: 12/31/05 Fiscal Year: 12/31/05

* All facilities other than governmental must report on the accrual basis

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 3

Facility Name & ID Number Kenwood Healthcare Center # 0033589 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	442,092	31,273	15,815	489,180		489,180		489,180		1
2	Food Purchase		380,563		380,563		380,563	(6,380)	374,183		2
3	Housekeeping	419,354	92,522		511,876		511,876	593	512,469		3
4	Laundry	158,734	28,919		187,653		187,653		187,653		4
5	Heat and Other Utilities			261,250	261,250		261,250	4,224	265,474		5
6	Maintenance	130,240	111,537	20,995	262,772		262,772	1,316	264,088		6
7	Other (specify):*										7
8	TOTAL General Services	1,150,420	644,814	298,060	2,093,294		2,093,294	(247)	2,093,047		8
	B. Health Care and Programs										
9	Medical Director			5,500	5,500		5,500		5,500		9
10	Nursing and Medical Records	2,243,002	20,286	23,842	2,287,130		2,287,130	(2,605)	2,284,525		10
10a	Therapy			444,646	444,646		444,646		444,646		10a
11	Activities	113,142	2,956		116,098		116,098		116,098		11
12	Social Services	149,453			149,453		149,453		149,453		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	2,505,597	23,242	473,988	3,002,827		3,002,827	(2,605)	3,000,222		16
	C. General Administration										
17	Administrative	210,000		531,000	741,000		741,000	(217,217)	523,783		17
18	Directors Fees										18
19	Professional Services			52,425	52,425		52,425	(1,328)	51,097		19
20	Dues, Fees, Subscriptions & Promotion			19,993	19,993		19,993	130	20,123		20
21	Clerical & General Office Expense	646,430		68,487	714,917		714,917	163,223	878,140		21
22	Employee Benefits & Payroll Tax			615,175	615,175		615,175	6,629	621,804		22
23	Inservice Training & Education										23
24	Travel and Seminar			1,125	1,125		1,125	78	1,203		24
25	Other Admin. Staff Transportation			32,045	32,045		32,045	688	32,733		25
26	Insurance-Prop.Liab.Malpractice			35,831	35,831		35,831	2,484	38,315		26
27	Other (specify):* SW Alloc-Benefits							31,630	31,630		27
28	TOTAL General Administration	856,430		1,356,081	2,212,511		2,212,511	(13,683)	2,198,828		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,512,447	668,056	2,128,129	7,308,632		7,308,632	(16,535)	7,292,097		29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

STATE OF ILLINOIS

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Facility Name & ID Number **Kenwood Healthcare Center**

#0033589

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			88,104	88,104		88,104	231,196	319,300			30
31	Amortization of Pre-Op. & Org											31
32	Interest			9,509	9,509		9,509	156,372	165,881			32
33	Real Estate Taxes			376,001	376,001		376,001	7,601	383,602			33
34	Rent-Facility & Grounds			986,592	986,592		986,592	(986,592)				34
35	Rent-Equipment & Vehicle			13,018	13,018		13,018	2,477	15,495			35
36	Other (specify): ³											36
37	TOTAL Ownership			1,473,224	1,473,224		1,473,224	(588,946)	884,278			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Center:		46,189		46,189		46,189		46,189			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shop:											41
42	Provider Participation Fee			174,105	174,105		174,105		174,105			42
43	Other (specify): ³ Nonallowable Cost			17,246	17,246		17,246	(17,246)				43
44	TOTAL Special Cost Centers		46,189	191,351	237,540		237,540	(17,246)	220,294			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,512,447	714,245	3,792,704	9,019,396		9,019,396	(622,727)	8,396,669			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

**See Schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer- ence	3 OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Program				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Room				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patient				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	218,157	30		9
10	Interest and Other Investment Income	(46,526)	32		10
11	Discounts, Allowances, Rebates & Refund				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(656)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transaction				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(5,154)	43		18
19	Entertainment				19
20	Contributions	(213)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainer	(10,003)	19		22
23	Malpractice Insurance for Individual				23
24	Bad Debt	(60)	43		24
25	Fund Raising, Advertising and Promotion				25
26	Income Taxes and Illinois Personal Property Replacement Tax	(954)	43		26
27	CNA Training for Non-Employee				27
28	Yellow Page Advertising	(4,363)	43		28
29	Other-Attach Schedule See Schedule 5A	(5,846)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ 144,382		\$	30

OHF USE ONLY							
48		49		50		51	52

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below. (See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule	\$		31
32	Donated Goods-Attach Schedule			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(767,109)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (767,109)		36
(sum of SUBTOTALS)				
37	TOTAL ADJUSTMENTS (A) and (B)	\$ (622,727)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport		x	\$		38
39						39
40	Gift and Coffee Shop		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Kenwood Healthcare Center

Provider #: 0033589

01/01/2005 to 12/31/2005

Schedule 5A

VI. Adjustment Detail

Line 29 - Other

Non-allowable expenses	Amount	Reference
Disallow Lab Expense	(4,716)	43
Disallow X-Ray Expense	(1,130)	43
	<u>(5,846)</u>	

SEE ACCOUNTANTS' COMPILATION REPORT

Kenwood Healthcare Center

ID# 0033589

Report Period Beginning: 01/01/2005

Ending: 12/31/2005

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1	Misc. - Part A	\$	1
2	Labs - Part A		2
3	X-Rays - Part A		3
4	Vending Machine Expense		4
5	Disallowed Non-Care Related Real Estate Tax		5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
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33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

Summary A

12/31/2005

[illegible][illegible]

Facility Name & ID Number Kenwood Healthcare Center

0033589

Report Period Beginning: 01/01/2005 Ending: 12/31/2005

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
See Attached Schedule 6A		See Attached Schedule 6B	See Attached Schedule 6B			

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	17	Management Fees*	\$	KTNC Associates	100.00%	\$ 112,500	\$ 112,500	1
2	V	19	Professional Services		KTNC Associates	100.00%	2,738	2,738	2
3	V	21	Clerical & General Office Exp		KTNC Associates	100.00%	400	400	3
4	V	30	Depreciation		KTNC Associates	100.00%	4,622	4,622	4
5	V	32	Interest		KTNC Associates	100.00%	199,800	199,800	5
6	V	34	Rent - Facility & Grounds	986,592	KTNC Associates	100.00%		(986,592)	6
7	V								7
8	V								8
9	V		* Management fee paid to an owner of KTNC Associates						9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			\$ 986,592			\$ 320,060	\$ * (666,532)	14

* Total must agree with the amount recorded on line 34 of Schedule VI

SEE ACCOUNTANTS' COMPILATION REPORT

Kenwood Healthcare Center

Provider #: 0033589

12/31/2005

Schedule 6B

VII Related Parties - Page 6

Related Nursing Homes

City

In-State:

Cahokia Nursing and Rehab	Cahokia
Caseyville Nursing and Rehab	Caseyville
Franklin Grove Nursing Center	Franklin Grove
Kenwood Healthcare Center	Chicago
Oregon Healthcare Center	Oregon
Shabbona Healthcare Center	Shabbona
Tower Hill Healthcare Center	South Elgin
Virgil Calvert Nursing and Rehab	East St. Louis

Out-of-State:

St. Elizabeth Healthcare Center	Florissant, MO
Hillside Manor Healthcare and Rehab	St. Louis, MO

Other Related Business Entities

S.W. Management Co.	Skokie	Bookkeeping/Management Company
S&E Medical Supply Co.	Skokie	Medical Supplies
* SFO Associates	Skokie	Finance Company
** Unity Hospice	Skokie	Hospice Services

* This entity only relates to Shabbona Healthcare Center, Franklin Grove Nursing Center, and Oregon Healthcare Center.

** Pages 6 and 8 are not required for this entity since there was no payment from the nursing homes to the related entity.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Kenwood Healthcare Center

0033589

Report Period Beginning: 01/01/2005 Ending: 12/31/2005

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	2 Food	\$	S.W. Management Co.	100.00%	\$ (52)	\$ (52)
16	V	3 Housekeeping		S.W. Management Co.	100.00%	593	593
17	V	5 Heat and Other Utilities		S.W. Management Co.	100.00%	4,224	4,224
18	V	6 Maintenance		S.W. Management Co.	100.00%	1,316	1,316
19	V	17 Administrative	531,000	S.W. Management Co.	100.00%	201,283	(329,717)
20	V	19 Professional Services		S.W. Management Co.	100.00%	5,937	5,937
21	V	20 Dues, Fees, Subs & Promotions		S.W. Management Co.	100.00%	130	130
22	V	21 Clerical & General Office Expense		S.W. Management Co.	100.00%	162,823	162,823
23	V	24 Travel and Seminar		S.W. Management Co.	100.00%	78	78
24	V	25 Other Admin. Staff Transport		S.W. Management Co.	100.00%	688	688
25	V	26 Insurance-Prop.Liab.Malpractice		S.W. Management Co.	100.00%	2,484	2,484
26	V	27 Mgmt. Allocation of Benefits		S.W. Management Co.	100.00%	31,630	31,630
27	V	30 Depreciation		S.W. Management Co.	100.00%	8,417	8,417
28	V	32 Interest		S.W. Management Co.	100.00%	3,098	3,098
29	V	33 Real Estate Taxes		S.W. Management Co.	100.00%	7,601	7,601
30	V	35 Rent - Equipment & Vehicles		S.W. Management Co.	100.00%	2,477	2,477
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 531,000			\$ 432,727	\$ * (98,273)

* Total must agree with the amount recorded on line 34 of Schedule VI

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number **Kenwood Healthcare Center**# **0033589**Report Period Beginning: **01/01/2005** Ending: **12/31/2005**

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	2 Food	\$ 11,574	S & E Medical Supply Co.	100.00%	\$ 11,875	\$ 301	15
16	V	3 Housekeeping	8,351	S & E Medical Supply Co.	100.00%	8,351		16
17	V	10 Medical Supplies	6,777	S & E Medical Supply Co.	100.00%	4,172	(2,605)	17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 26,702			\$ 24,398	\$ * (2,304)	39

* Total must agree with the amount recorded on line 34 of Schedule V1

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Kenwood Healthcare Center # 0033589 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Sheldon Wolfe	President	Administrative	29.88	See Schedule 7A	12	27.00	Salary	\$ 201,283	L17,C7	1
2	Ronnie Klein	COO	Administrative	6.92	See Schedule 7B	20	50.00	Salary&Fees	240,000	17,3 & 21,7	2
3	Moshe Herman	CFO	Administrative	0.00	See Schedule 7C	8.8	20.00	Salary	32,641	L21,C7	3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 473,924		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Kenwood Healthcare Center# 0033589

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization S.W. Management Co.Street Address 7434 N. Skokie Blvd.City / State / Zip Code Skokie, IL 60077Phone Number (847) 982-2300Fax Number (847) 982-2304

B. Show the allocation of costs below. If necessary, please attach worksheets

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	2	Food	Bed Days Available	570,112	10	\$ (257)	\$	116,070	\$ (52)	1
2	3	Housekeeping	Bed Days Available	570,112	10	2,912		116,070	593	2
3	5	Heat and Other Utilities	Bed Days Available	570,112	10	20,748		116,070	4,224	3
4	6	Maintenance	Bed Days Available	570,112	10	6,462		116,070	1,316	4
5	19	Professional Services	Bed Days Available	570,112	10	29,160		116,070	5,937	5
6	20	Dues, Fees, Subs & Promotions	Bed Days Available	570,112	10	640		116,070	130	6
7	21	Clerical & General Office Exp	Bed Days Available	570,112	10	652,396	606,507	116,070	132,823	7
8	24	Travel and Seminar	Bed Days Available	570,112	10	384		116,070	78	8
9	25	Other Admin. Staff Transport	Bed Days Available	570,112	10	3,378		116,070	688	9
10	26	Insurance-Prop., Liab. & Malp.	Bed Days Available	570,112	10	12,203		116,070	2,484	10
11	27	Mgmt. Allocation of Benefits	Bed Days Available	570,112	10	155,361		116,070	31,630	11
12	32	Interest	Bed Days Available	570,112	10	15,217		116,070	3,098	12
13	33	Real Estate Taxes	Bed Days Available	570,112	10	37,335		116,070	7,601	13
14	35	Rent - Equipment & Vehicles	Bed Days Available	570,112	10	12,167		116,070	2,477	14
15										15
16	17	Administrative	Avg. Hours Worked	44	10	738,036	738,036	12	201,283	16
17	21	Clerical & General Office Exp	Avg. Hours Worked	40	7	60,000	60,000	20	30,000	17
18										18
19	30	Depreciation	Direct Cost						8,417	19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$ 1,746,142	\$ 1,404,543		\$ 432,727	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Kenwood Healthcare Center# 0033589

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization S & E Medical Supply Co.
 Street Address 3100 Commercial Avenue
 City / State / Zip Code Northbrook, IL 60062
 Phone Number (847) 982-9300
 Fax Number ()

B. Show the allocation of costs below. If necessary, please attach worksheets

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	2	Food	Direct Cost		\$	\$		\$ 11,875	1
2	3	Housekeeping	Direct Cost					8,351	2
3	10	Medical Supplies	Direct Cost					4,172	3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$ 24,398	25

SEE ACCOUNTANTS' COMPILATION REPORT

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE													
A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)													
	1	2		3	4	5	6		7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO				Original	Balance					
	A. Directly Facility Related Long-Term												
1	LaSalle Bank		X	Mortgage	\$49,744.15	9/23/99	\$ 4,000,000	\$ 1,992,942	9/1/08	0.0800	\$ 190,019	1	
2												2	
3												3	
4												4	
5												5	
	Working Capital												
6	Bank One		X	Line of Credit			500,000			0.0525	9,509	6	
7												7	
8												8	
9	TOTAL Facility Related				\$49,744.15		\$ 4,500,000	\$ 1,992,942			\$ 199,528	9	
	B. Non-Facility Related*												
10								Interest income offset			(46,526)	10	
11								Amortization of mortgage costs			9,781	11	
12								Allocation from Mgmt. Co. - Mortgage			3,098	12	
13												13	
14	TOTAL Non-Facility Related						\$	\$			\$ (33,647)	14	
15	TOTALS (line 9+line14)						\$ 4,500,000	\$ 1,992,942			\$ 165,881	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ None Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7
(See instructions.) SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

Facility Name & ID Number **Kenwood Healthcare Center**# **0033589** Report Period Beginning: **01/01/2005** Ending: **12/31/2005****IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)****B. Real Estate Taxes**

1. Real Estate Tax accrual used on 2004 report.		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and t must accompany the cost report	\$	400,000	1																			
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		2004	\$	385,063	2																			
3. Under or (over) accrual (line 2 minus line 1).			\$	(14,937)	3																			
4. Real Estate Tax accrual used for 2005 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	400,000	4																			
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)			\$	4,561	5																			
		Allocated from Management Co.		7,601																				
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND : 13,623 For 1998 Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$	(13,623)	6																			
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru			\$	383,602	7																			
Real Estate Tax History:																								
Real Estate Tax Bill for Calendar Year:		2000	411,957	8	<table border="1"> <tr> <th colspan="3">FOR OHF USE ONLY</th> </tr> <tr> <td>13</td> <td>FROM R. E. TAX STATEMENT FOR 2004</td> <td>\$</td> <td>13</td> </tr> <tr> <td>14</td> <td>PLUS APPEAL COST FROM LINE 5</td> <td>\$</td> <td>14</td> </tr> <tr> <td>15</td> <td>LESS REFUND FROM LINE 6</td> <td>\$</td> <td>15</td> </tr> <tr> <td>16</td> <td>AMOUNT TO USE FOR RATE CALCULATION</td> <td>\$</td> <td>16</td> </tr> </table>	FOR OHF USE ONLY			13	FROM R. E. TAX STATEMENT FOR 2004	\$	13	14	PLUS APPEAL COST FROM LINE 5	\$	14	15	LESS REFUND FROM LINE 6	\$	15	16	AMOUNT TO USE FOR RATE CALCULATION	\$	16
FOR OHF USE ONLY																								
13	FROM R. E. TAX STATEMENT FOR 2004	\$	13																					
14	PLUS APPEAL COST FROM LINE 5	\$	14																					
15	LESS REFUND FROM LINE 6	\$	15																					
16	AMOUNT TO USE FOR RATE CALCULATION	\$	16																					
		2001	422,671	9																				
		2002	427,410	10																				
		2003	376,696	11																				
		2004	385,063	12																				
2005 Accrual	2004 Tax=	385,063																						
Percentage	x	1.04																						
		400,466																						
Use		400,000																						

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed

SEE ACCOUNTANTS' COMPILATION REPORT

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2004 REAL ESTATE TAX COST DOCUMENTATION

Please complete the Real Estate Tax Statement below and forward with a copy of your 2004 real estate tax bill to the Department of Public Aid, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2005 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Bureau of Health Finance at (217) 782-1630.

FACILITY NAME	Kenwood Healthcare Center	COUNTY	Cook
---------------	---------------------------	--------	------

FACILITY IDPH LICENSE NUMBER 0033589

CONTACT PERSON REGARDING THIS REPORT Sheldon Wolfe

TELEPHONE (847) 982-2300 FAX #: (847) 982-2304

Enter the tax index number and real estate tax assessed for 2004 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2004.

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

Attach a copy of the original 2004 tax bills which were listed in Section A to this statement. Be sure to use the 2004 tax bill which is normally paid during 2005.

SEE ACCOUNTANTS' COMPILATION REPORT

Kenwood Healthcare Center
 Provider #: 0033589
 12/31/2005

Schedule 10A

Allocation of Real Estate Tax Bill
S.W. Management Co.
Page 10, Line 2

Facility Name/ Real Estate Tax #	Basis of Allocation	Available Patient Days	% Allocated	Amount Allocated
10-28-412-049-0000				\$ 38,709
% Applicable to Long Term Care:	Home Office/Management Fee			96.45%
				<u>\$ 37,335</u>
Cahokia Nursing and Rehab	Available Patient Days	54,750	9.60%	3,585
Caseyville Nursing and Rehab	Available Patient Days	54,750	9.60%	3,585
Franklin Grove Nursing Center	Available Patient Days	44,165	7.75%	2,892
Hillside Manor Healthcare and Rehab	Available Patient Days	44,512	7.81%	2,915
Kenwood Healthcare Center	Available Patient Days	116,070	20.36%	7,601
Oregon Healthcare Center	Available Patient Days	37,960	6.66%	2,486
Shabbona Healthcare Center	Available Patient Days	33,215	5.83%	2,175
St. Elizabeth Healthcare Center	Available Patient Days	54,750	9.60%	3,585
Tower Hill Healthcare Center	Available Patient Days	75,190	13.19%	4,924
Virgil Calvert Nursing and Rehab	Available Patient Days	54,750	9.60%	3,585
		<u>570,112</u>	<u>100.00%</u>	<u>\$ 37,335</u>

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Kenwood Healthcare Center

0033589

Report Period Beginning:

01/01/2005 Ending:

12/31/2005

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: _____ B. General Construction Type: Exterior _____ Frame _____ Number of Stories SixC. Does the Operating Entity? ☐ (a) Own the Facility ☒ (b) Rent from a Related Organization ☐ (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions)

D. Does the Operating Entity? ☒ (a) Own the Equipment ☒ (b) Rent equipment from a Related Organization ☒ (c) Rent equipment from Completely Unrelated Organization

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's ground (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable)

NoneF. Does this cost report reflect any organization or pre-operating costs which are being amortized? ☐ YES ☒ NO
If so, please complete the following:1. Total Amount Incurred: _____ 2. Number of Years Over Which it is Being Amortized: _____
3. Current Period Amortization: _____ 4. Dates Incurred: _____

Nature of Costs: _____

(Attach a complete schedule detailing the total amount of organization and pre-operating costs)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Resident Care		1991	\$ 70,784	1
2	Resident Care		1997	265,000	2
3	TOTALS			\$ 335,784	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Kenwood Healthcare Center

0033589

Report Period Beginning:

01/01/2005 Ending: 12/31/2005

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

1	2	3	4	5	6	7	8	9	
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4	318	1986		\$ 5,300,000		35	\$ 151,429	\$ 151,429	\$ 5,198,622
5									
6	Allocated From Management Co	1995		88,122		39	2,518	2,518	26,826
7									
8									
Improvement Type**									
9	Various	1987		643		20	32	32	627
10	Various	1989		5,500		20	275	275	4,606
11	Various	1990		46,719		20	281	281	45,466
12	Various	1991		7,602		20	380	380	5,428
13	Various	1992		80,208		20	3,913	3,913	52,498
14	Various	1993		325,411		20	15,879	15,879	203,890
15	Various	1994		35,487		20	645	645	30,328
16	Various	1995		66,379		20	3,318	3,318	35,810
17	Various	1996		72,786		20	3,640	3,640	35,373
18	Various	1997		200,247		20	10,012	10,012	88,390
19	Various	1998		65,468		20	3,274	3,274	27,168
20	Various	1999		54,327	1,479	20	2,716	1,237	18,680
21	Wall Guard	2000		1,498		20	75	75	419
22	Elevator Repair	2000		1,800		20	90	90	518
23	Window Treatment	2000		1,020	118	20	51	(67)	272
24	Wallpaper	2000		883	102	20	44	(58)	253
25	Wallpaper	2000		1,196	138	20	60	(78)	345
26	Wallpaper	2000		1,470	169	20	74	(95)	424
27	Wallpaper	2000		3,324	383	20	166	(217)	955
28	Wallpaper	2000		21,712	2,501	20	1,086	(1,415)	6,244
29	Wallpaper	2000		825	95	20	41	(54)	237
30	Mini-Blinds	2000		65	7	20	3	(4)	18
31	Wallpaper	2000		2,081	240	20	104	(136)	598
32	Wallpaper	2000		4,663	537	20	233	(304)	1,340
33	Wallpaper	2000		1,099	126	20	55	(71)	312
34	Wallpaper	2000		3,146	363	20	157	(206)	891
35	Wallpaper	2000		1,451	167	20	73	(94)	413
36	Wallpaper	2000		826	95	20	41	(54)	233

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

	1 Improvement Type**	2 Year Constructed	3 Cost	4 Current Book Depreciation	5 Life in Years	6 Straight Line Depreciation	7 Adjustments	8 Accumulated Depreciation	9
37	Wallpaper	2000	\$ 3,115	\$ 359	20	\$ 156	\$ (203)	\$ 845	37
38	Window Treatmen	2000	18,430	2,123	20	922	(1,201)	4,992	38
39	Wallpaper Install	2000	63,355	7,298	20	3,168	(4,130)	16,896	39
40	Radiator	2000	5,900		20	295		1,598	40
41	Boilers	2000	4,514	59	20	226	167	1,223	41
42	Dishwasher Exhaust	2000	5,907		20	295	295	1,624	42
43	Elevator	2001	84,968	2,179	20	4,248	2,069	18,409	43
44	Wood Doors	2001	5,867	549	20	293	(256)	1,417	44
45	Carpeting	2001	4,657	570	20	233	(337)	1,029	45
46	Doors	2001	2,200	206	20	110	(96)	550	46
47	Door Locks	2001	1,115		20	56	56	266	47
48	Door Handles	2001	2,158		20	108	108	540	48
49	Valve	2001	2,657		20	133	133	621	49
50	Door Locks	2001	1,261		20	63	63	273	50
51	Door Locks	2001	1,960		20	98	98	400	51
52	Mechanical Equipmen	2001	7,255		20	363	363	1,724	52
53	Electrical Breaker	2001	9,294		20	465	465	2,208	53
54	Sewage Pump	2001	8,495	917	20	425	(492)	1,948	54
55	Steamer	2001	14,992	2,051	20	750	(1,301)	3,187	55
56	3 Circuit Breaker	2001	2,400	328	20	120	(208)	500	56
57	Doors & Frames	2002	2,687	27	5	537	510	1,925	57
58	Drapes & Blinds	2002	1,022	137	10	102	(35)	374	58
59	Fire Alarm	2002	8,775	1,179	7	1,254	75	4,075	59
60	Fire Alarm	2002	4,100	551	7	586	35	2,051	60
61	Kitchen Plumbing	2002	3,150	423	5	630	207	2,310	61
62	Hot Water Heater	2002	6,300	847	12	525	(322)	1,881	62
63	Fire Protection	2002	3,333	448	7	476	28	1,746	63
64	Fire Stopping	2002	18,015	2,206	10	1,802	(404)	6,606	64
65	Sprinkler Hydraul	2002	3,200	430	7	457	27	1,676	65
66	Elevator	2002	20,538	527	10	2,054	1,527	8,216	66
67	Plumbing	2002	2,617		10	262	262	960	67
68	Locks	2002	4,838		10	484		1,936	68
69	Elevator	2002	16,471		20	824	824	2,745	69
70	TOTAL (lines 4 thru 69)		\$ 6,741,504	\$ 29,934		\$ 223,185	\$ 193,251	\$ 5,883,935	70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 6,741,504	\$ 29,934		\$ 223,185	\$ 193,251	\$ 5,883,935	1
2	Carpeting	2003	4,606		20	230	230	691	2
3	Elevator	2003	50,950	1,306	20	2,548	1,242	8,916	3
4	Elevator	2003	15,286	392	20	764	372	2,293	4
5	85 Gal. Hot Water Heater	2003	8,745		20	437	437	2,624	5
6	Generator Repair	2003	1,396		20	70	70	181	6
7	Hot Water Heater Repair	2003	1,649		20	82	82	220	7
8	Roof Repair	2003	1,821		20	91	91	212	8
9	Telephone System Repair	2003	1,271		20	64	64	148	9
10	Door Locks	2003	1,261		20	63	63	142	10
11	Boiler Repair	2003	1,013		20	51	51	109	11
12	Tile	2004	3,078	59	20	154	95	231	12
13	Furnish and Install Doors	2004	2,584	50	20	129	79	194	13
14	Exit Devices, Pull Cylinders and Locks	2004	6,030	77	20	302	225	452	14
15	Wallpaper	2004	29,363	2,517	20	1,468	(1,049)	2,202	15
16	Generator	2004	118,100	1,514	20	5,905	4,391	8,858	16
17	Door	2004	1,200	13	20	60	47	90	17
18	Door	2004	1,000	11	20	50	39	75	18
19	Door	2004	1,200	13	20	60	47	90	19
20	Painting	2004	40,374	86	20	2,019	1,933	3,028	20
21	Painting	2004	8,623	55	20	431	376	647	21
22	Boiler and Storage Tank	2004	13,350	200	20	668	468	1,001	22
23	Sprinkler	2004	6,800	87	7	340	253	510	23
24	Damper for Generator	2004	2,580	66	20	129	63	194	24
25	Boiler and Storage	2004	13,350	143	20	668	525	1,001	25
26	Cabinets and Countertops	2005	245,929	4,100	20	6,148	2,048	6,148	26
27	Inside Drain Line	2005	3,431	47	20	86	39	86	27
28	Floor Tiles	2005	3,276	35	20	82	47	82	28
29	Alarm System	2005	1,578	12	20	39	27	39	29
30	Boiler	2005	14,900	68	20	373	305	373	30
31	Parking Lot - Asphalt Surface	2005	36,233	453	20	906	453	906	31
32									32
33	Adjustment per Desk Review	2002	(7,800)						33
34	TOTAL (lines 1 thru 33)		\$ 7,374,681	\$ 41,238		\$ 247,602	\$ 206,364	\$ 5,925,678	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 7,374,681	\$ 41,238		\$ 247,602	\$ 206,364	\$ 5,925,678	1
2	Allocated From Management Co. - leasehold improvement	1995	9,401		20	470	470	5,672	2
3	Allocated From Management Co. - leasehold improvement	1996	1,642		20	82	82	785	3
4	Allocated From Management Co. - leasehold improvement	1997	2,364		20	118	118	1,297	4
5	Allocated From Management Co. - leasehold improvement	1998	1,628		20	81	81	631	5
6	Allocated From Management Co. - leasehold improvement	1999	4,520		20	226	226	1,375	6
7	Allocated From Management Co. - leasehold improvement	2005	9,350		20	234	234	234	7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 7,403,586	\$ 41,238		\$ 248,813	\$ 207,575	\$ 5,935,672	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number: Kenwood Healthcare Center

0033589

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instruction

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 793,201	\$ 33,588	\$ 65,136	\$ 31,548	10	\$ 613,712	71
72	Current Year Purchases	13,278	13,278	664	(12,614)	10	664	72
73	Fully Depreciated Assets	795,111				10	795,111	73
74	Allocation from Management Co.	23,786		2,327	2,327	10	21,711	74
75	TOTALS	\$ 1,625,376	\$ 46,866	\$ 68,127	\$ 21,261		\$ 1,431,198	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Allocated from Mgmt. Co.	2004 Cadillac	2004	\$ 11,800	\$	\$ 2,360	\$ 2,360	5	\$ 3,540	76
77										77
78										78
79										79
80	TOTALS			\$ 11,800	\$	\$ 2,360	\$ 2,360		\$ 3,540	80

E. Summary of Care-Related Asset

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 9,376,546	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 88,104	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 319,300	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 231,196	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 7,370,410	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87	N/A				87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progres

	Description	Cost	
92		\$	92
93	N/A		93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

SEE ACCOUNTANTS' COMPILATION REPORT

** This must agree with Schedule V line 30, column f

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

If NO, see instructions.

☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$ <u>N/A</u>			3
4	Additions							4
5								5
6								6
7	TOTAL				\$			7

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized
by the length of the lease .

9. Option to Buy: ☐ YES ☐ NO Terms: *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental?

☐ YES ☐ NO

16. Rental Amount for movable equipment: \$ N/A Description:

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	<u>Facility</u>	<u>2001 Lexus</u>	\$ <u>564.00</u>	\$ <u>6,300</u>	17
18	<u>Facility</u>	<u>2005 Lexus</u>	<u>654.00</u>	<u>6,718</u>	18
19					19
20	<u>Allocated from Management Co.</u>			<u>2,477</u>	20
21	TOTAL		\$ <u>#####</u>	\$ <u>15,495</u>	21

10. Effective dates of current rental agreement:

Beginning

Ending

11. Rent to be paid in future years under the current rental agreement:

Fiscal Year Ending Annual Rent

12. /2006 \$

13. /2007 \$

14. /2008 \$

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility)

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
--	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wage (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefit.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefit.
- (c) For in-house training programs only. Do not include fringe benefit.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities:

\$ _____

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
- (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	13,058	\$ 222,118	\$	13,058	\$ 222,118	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		118	3,559		118	3,559	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10A, C3	hrs		13,571	217,278		13,571	217,278	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescripts				46,189		46,189	9
	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							
10	Academic Education		hrs							10
11	Exceptional Care Program									11
12										12
13	Other (specify):									13
14	TOTAL			\$	26,747	\$ 442,955	\$ 46,189	26,747	\$ 489,144	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 152,977	\$ 282,031	1
2	Cash-Patient Deposits	6,790	6,790	2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	1,993,681	1,993,681	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	63,075	63,075	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Schedule 17A</u>	354,952	297,666	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,571,475	\$ 2,643,243	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	70,784	335,784	13
14	Buildings, at Historical Cost		5,300,000	14
15	Leasehold Improvements, at Historical Cost	1,280,382	2,103,586	15
16	Equipment, at Historical Cost	1,710,436	1,637,176	16
17	Accumulated Depreciation (book methods)	(1,805,887)	(7,370,410)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (sp) <u>See Sch. 17A</u>		26,899	22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,255,715	\$ 2,033,035	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 3,827,190	\$ 4,676,278	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 244,990	\$ 247,240	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	10,188	10,188	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	87,214	87,214	30
31	Accrued Taxes Payable (excluding real estate taxes)	23,005	23,005	31
32	Accrued Real Estate Taxes(Sch.IX-B)	400,000	400,000	32
33	Accrued Interest Payable		14,749	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>See Sch. 17A</u>	169,502	169,502	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 934,899	\$ 951,898	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable		1,992,942	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 1,992,942	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 934,899	\$ 2,944,840	46
47	TOTAL EQUITY (page 18, line 24)	\$ 2,892,291	\$ 1,731,438	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 3,827,190	\$ 4,676,278	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Kenwood Healthcare Center
Provider #: 0033589
12/31/05

Schedule 17A

XV. BALANCE SHEET -

Other Current Assets (specify):	After	
	Operating	Consolidation
Due from JLR		67,000
Due from Marvin Needle		4,000
Due from state	36,284	36,284
Real estate tax escrow	88,243	0
Short term loan exchange	217,286	177,243
Due to public aid	13,139	13,139
Total Line 9 - Other Current Assets (specify):	354,952	297,666

Other Long-Term Assets (specify):	After	
	Operating	Consolidation
Mortgage Costs	0	88,031
Accumulated Amortization	0	(61,132)
Total Line 22 - Other Long-Term Assets (specify):	0	26,899

Other Current Liabilities (specify):	After	
	Operating	Consolidation
Insurance Premiums Payable	2,692	2,692
Reimbursement due	15,022	15,022
Union Dues	3,492	3,492
Accrued expenses	119,474	119,474
Short term loan exchange	28,822	28,822
Total Line 36 - Other Current Liabilities (specify):	169,502	169,502

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 3,899,926	1
2	Restatements (describe):		2
3	Prior Period Adjustments	14,958	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 3,914,884	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	1,203,407	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	(2,226,000)	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (1,022,593)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 2,892,291	24 *

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 19

Facility Name & ID Number Kenwood Healthcare Center

0033589

Report Period Beginning: 01/01/2005

Ending: 12/31/2005

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached

Note: This schedule should show gross revenue and expenses. Do not net revenue against expenses.

1			
	Revenue	Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 9,725,194	1
2	Discounts and Allowances for all Levels		2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 9,725,194	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	442,357	6
7	Oxygen	8,580	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 450,937	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursement		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patient		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income**	46,526	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 46,526	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Miscellaneous Income	146	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 146	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 10,222,803	30

2			
	Expenses	Amount	
A. Operating Expenses			
31	General Services	2,093,294	31
32	Health Care	3,002,827	32
33	General Administration	2,212,511	33
B. Capital Expense			
34	Ownership	1,473,224	34
C. Ancillary Expense			
35	Special Cost Centers	63,435	35
36	Provider Participation Fee	174,105	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 9,019,396	40
41	Income before Income Taxes (line 30 minus line 40)**	1,203,407	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 1,203,407	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
This entity is a cash basis taxpayer.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number **Kenwood Healthcare Center**

0033589

Report Period Beginning: 01/01/2005

Ending:

12/31/2005

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	2,080	2,080	\$ 80,545	\$ 38.72	1
2	Assistant Director of Nursing	2,176	2,176	57,511	26.43	2
3	Registered Nurses	6,649	7,043	161,884	22.99	3
4	Licensed Practical Nurses	34,040	35,487	747,742	21.07	4
5	CNAs & Orderlies	115,852	122,401	1,156,059	9.44	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	2,687	3,092	39,261	12.70	8
9	Activity Director					9
10	Activity Assistants	9,215	9,924	113,142	11.40	10
11	Social Service Worker	13,199	14,013	149,453	10.67	11
12	Dietician					12
13	Food Service Supervisor	6,513	6,921	105,349	15.22	13
14	Head Cook	3,805	4,007	35,654	8.90	14
15	Cook Helpers/Assistants	32,801	35,332	301,089	8.52	15
16	Dishwashers					16
17	Maintenance Worker	9,871	10,314	130,240	12.63	17
18	Housekeepers	47,732	49,945	419,354	8.40	18
19	Laundry	17,121	18,028	158,734	8.80	19
20	Administrator	2,080	2,080	210,000	100.96	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	40,531	43,435	646,430	14.88	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	346,352	366,278	\$ 4,512,447 *	\$ 12.32	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	Monthly	\$ 15,815	L1, C3	35
36	Medical Director	Monthly	5,500	L9, C3	36
37	Medical Records Consultant	Monthly	4,328	L10, C3	37
38	Nurse Consultant				38
39	Pharmacist Consultant	390	19,514	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant	30	1,691	L10A, C3	41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	420	\$ 46,848		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	N/A	\$		50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		\$		53

SEE ACCOUNTANTS' COMPILATION REPORT

XIX. SUPPORT SCHEDULES

A. Administrative Salaries:				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions		
Name	Function	Ownership %	Amount	Description		Amount	Description	Amount	
Ronnie Klein	Administrator	6.92	\$ 210,000	Workers' Compensation Insurance		\$ 102,284	IDPH License Fee	\$ 995	
				Unemployment Compensation Insurance		104,176	Advertising: Employee Recruitment		
				FICA Taxes		329,136	Health Care Worker Background Check		
				Employee Health Insurance		36,377	(Indicate # of checks performed 214)	2,567	
				Employee Meals		6,629	Illinois Council on Long Term Care	11,829	
				Illinois Municipal Retirement Fund (IMRF)*			Miscellaneous Dues & Subscriptions	115	
				Life Insurance		3,831	Inspections	1,512	
				Uniforms		3,738	Miscellaneous Licenses	2,773	
				Disability Insurance		3,168	Miscellaneous Permits	202	
				Miscellaneous Employee Benefits		32,465	Allocated from Management Co.	130	
							Less: Public Relations Expense	()	
							Non-allowable advertising	()	
							Yellow page advertising	()	
TOTAL (agree to Schedule V, line 17, col. 1)				TOTAL (agree to Schedule V,		\$ 621,804	TOTAL (agree to Sch. V,		
(List each licensed administrator separately.)			\$ 210,000	line 22, col.8)			line 20, col. 8)		
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees					
Description			Amount	Description		Line #	Amount		
S.W. Management			\$ 531,000				\$		
TOTAL (agree to Schedule V, line 17, col. 3)			\$ 531,000						
(Attach a copy of any management service agreement)									
C. Professional Services				G. Schedule of Travel and Seminar**d					
Vendor/Payee	Type		Amount	Description		Line #	Amount		
Stone Pogrund & Korey	Legal		\$ 9,370				\$		
Ashman & Stein	Legal		19,249						
Winston & Strawn	Legal		1,949						
Husch & Eppenberger	Legal		290						
Foley & Lardner	Legal		2,886	N/A					
American Express TBS	Accounting		14,667						
Personnel Planners	U/C Consultant		4,014						
TOTAL (agree to Schedule V, line 19, column 3)				TOTAL		\$			
(If total legal fees exceed \$2500 attach copy of invoices.)			\$ 52,425						

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

****See instructions.**

Kenwood Healthcare Center
Provider #: 0033589
01/01/2005 to 12/31/2005

Schedule 21A

XIX. SUPPORT SCHEDULE

C. Professional Services

Total (agree to Schedule V, line 19, column 3)	52,425
Allocated from KTNC Associates	
Accounting - Frost, Ruttenberg & Rothblatt	2,738
Allocated from Management Company	
Legal	3,069
Accounting - Frost, Ruttenberg & Rothblatt/American Express T	2,868
Professional Services Disallowed	(10,003)
Total (agree to Schedule V, line 19, column 8)	<u>51,097</u>

SEE ACCOUNTANTS' COMPILATION REPORT

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
 (See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
1			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
5			N/A										
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Kenwood Healthcare Center

0033589

Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union Yes
- (2) Are there any dues to nursing home associations included on the cost report Yes
If YES, give association name and amount Illinois Council on Long Term Care - \$11,829
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases Yes
What was the average life used for new equipment added during this period 10 Yrs.
- (6) Indicate the total amount of both disposable and non-disposable diaper expenses and the location of this expense on Sch. V. N/A Line N/A
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease N/A
- (9) Are you presently operating under a sublease agreement YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES X NO If YES, please indicate name of the facility IDPH license number of this related party and the date the present owners took over KTNC Associates
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 174,105
This amount is to be recorded on line 42 of Schedule V
- (12) Are there any salary costs which have been allocated to more than one line on Schedule for an individual employee? No If YES, attach an explanation of the allocation

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services if the patient census listed on page 2, Section B No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these function
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 6,629 Has any meal income been offset against related costs? No Indicate the amount \$ N/A
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel No
If YES, attach a complete explanation
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such program during this reporting period. \$ N/A
c. What percent of all travel expense relates to transportation of nurses and patients?
d. Have vehicle usage logs been maintained Adequate records have been maintained.
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? N/A
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fee

RECONCILIATION REPORT

11:41 AM 5/16/2006

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS	COMPARE CEL	SUB- SCHED.	LINE NO.	COL. NO.	WITH CELL	SUB- SCHED.	LINE NO.	COL. NO.
Adjustment Detail	-622,727	equal to	-622,727	0	O.K.	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	165,881	equal to	165,881	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	383,602	equal to	383,602	0	O.K.	Pg10 W24	B.	5	N/A	Pg4 L14	N/A	33	8
Amortization exp. Pre-opening & org.	0	equal to	0	0	O.K.	Pg11 I33	E.	3	N/A	Pg4 L12	N/A	31	8
Ownership Costs-Depreciation	319,300	equal to	319,300	0	O.K.	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	0	equal to	0	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	15,495	equal to	15,495	0	O.K.	Pg14 J30+N40	B.+ C.	16+21	N/A+4	Pg4 L16	N/A	35	8
Nurse Aid Training Prog.	0	equal to	0	0	O.K.	Pg15 L36	B.	10	1	Pg3 L23	N/A	13	8
Special Serv.- Staff Wages	0	equal to	0	0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	444,646	equal to	444,646	0	O.K.	Pg16 Z12+Z14.	N/A/B	1-4;40-43	8;2	Pg3 H20	N/A	10a	4
Special Serv.- Supplies	46,189	equal to	46,189	0	O.K.	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39,10a	2
Income Stat. General Serv.	2,093,294	equal to	2,093,294	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	3,002,827	equal to	3,002,827	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Administration	2,212,511	equal to	2,212,511	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	1,473,224	equal to	1,473,224	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	63,435	equal to	63,435	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+i	N/A	38to41+43	4
Income Stat. Prov. Partic.	174,105	equal to	174,105	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	2,203,741	equal to	2,243,002	-39,261	FAILED	Pg20 K11..K15+	A.	1-5,24,25,27-30	3	Pg3 E19	N/A	10	1
Staff- Nurse aide Training	0	< or = to	0	0	O.K.	Pg20 K16	A.	6	3	Pg3 E23	N/A	13	1
Staff-Licensed Therapist	0	equal to	0	0	O.K.	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	113,142	equal to	113,142	0	O.K.	Pg20 K19+K20	A.	9+10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	149,453	equal to	149,453	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	442,092	equal to	442,092	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	130,240	equal to	130,240	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	419,354	equal to	419,354	0	O.K.	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	158,734	equal to	158,734	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	210,000	equal to	210,000	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	646,430	equal to	646,430	0	O.K.	Pg20 K33..K34	A.	23+24	3	Pg3 E32	N/A	21	1
Staff- Medical Director	0	equal to	0	0	O.K.	Pg20 K37	A.	27	3	Pg3 E18	N/A	9	1
Total Salaries And Wages	4,512,447	equal to	4,512,447	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	15,815	< or = to	15,815	0	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	5,500	< or = to	5,500	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	23,842	< or = to	23,842	0	O.K.	Pg20 X14..X16+	B. & C.	17to39 and 50to6	2	Pg3 G19	N/A	10	3
Activity Consultant	0	< or = to	0	0	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	0	< or = to	0	0	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched.- Admin. Salar.	210,000	equal to	210,000	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched.- Admin. Other	531,000	equal to	531,000	0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched.- Prof. Serv.	52,425	equal to	52,425	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched.- Benefit/Taxes	621,804	equal to	621,804	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched.- Sched of dues..	20,123	equal to	20,123	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched.- Sched. of trav	1,203	equal to	1,203	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Particip. Fees	174,105	equal to	174,105	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	6,629	< or = to	6,629	0	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	6,629	equal to	6,629	0	O.K.	Pg23 S16	N/A	16	N/A	Pg21 P12	D.	N/A	N/A
Nurse aide training	0	equal to	0	0	O.K.	Pg15 U29..U31	B.	3, 4 & 5	4	Pg3 E23	N/A	13	1
Days of medicare provided	2,388	equal to	2,388	0	O.K.	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs	-767,109	equal to	-767,109	0	O.K.	Pg5 Z18	B.	34	1	Pg6 to Pg 6l Y4	B.	14	8
Total loan balance	1,992,942	equal to	1,992,942	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27.	N/A	29+39-41	2
Real estate tax accrual	400,000	equal to	400,000	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	335,784	equal to	335,784	0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	7,403,586	equal to	7,403,586	0	O.K.	Pg12 to 12l L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	1,637,176	equal to	1,637,176	0	O.K.	Pg13 O22+L13	C. & D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	7,370,410	equal to	7,370,410	0	O.K.	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	2,892,291	equal to	2,892,291	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	1,203,407	equal to	1,203,407	0	O.K.	Pg18 I15	N/A	7	1	Pg19 P30	N/A	43	2
Unamortized deferred maint. cost	0	equal to	0	0	O.K.	Pg22 F31-J31..1	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	3,827,190	equal to	3,827,190	0	O.K.	Pg17 H41		25	1	Pg17 S41	N/A	48	1

Kenwood Healthcare Center
IDPA Comparative Data - Per Resident Day Cost
Year Ending 12/31/2005

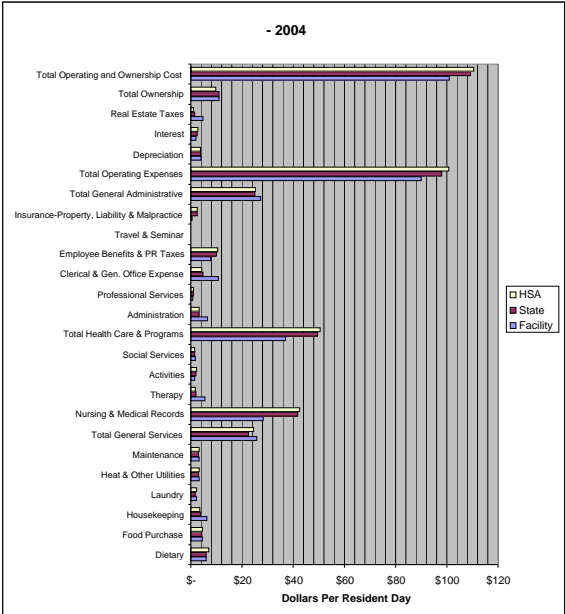
Enter your HSA # in next column
Census (Pulls from Page 2)

1

80,912

Cost Report Line	Description	Your Facility		Average Median Cost Per Day		Cost Report Line	Description	State-Wide	IDPA LTC Profiles											LTC Median Per Diem Cost by HSA - 2003 Cost Reports		10th %	90th %																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
		State	HSA	State	HSA				2003 (Run June 1, 2004)											UN-INFLATED																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
		HSA	HSA	HSA	HSA				HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA			HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA

Notes:
Your Facility data is from page 3, column 8 of your 2005 Medicaid cost report, divided by your annual census.
The Average Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.

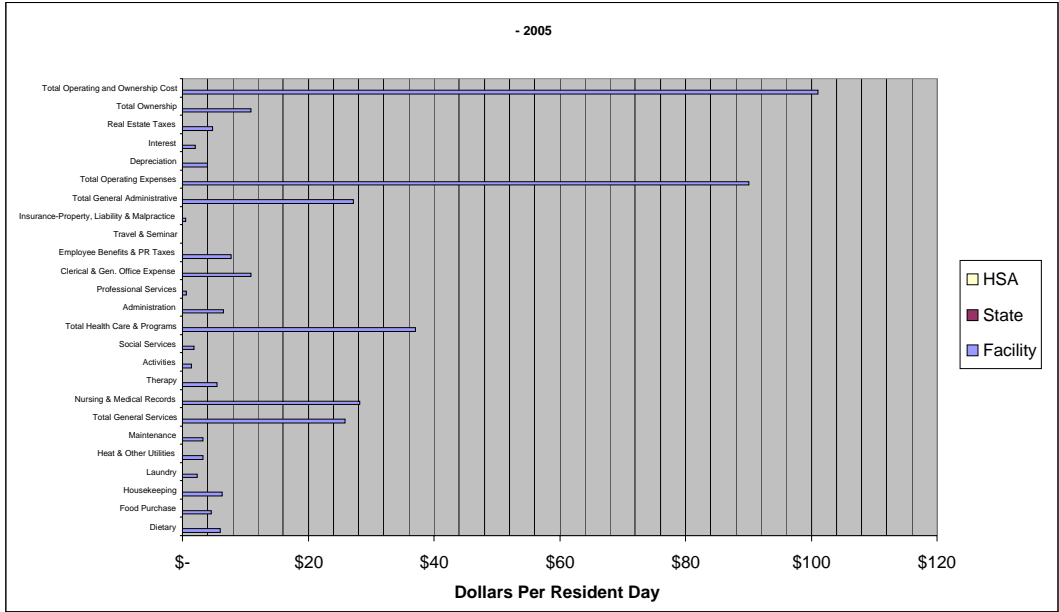


Cost Report Line	Description	2005	2004 Median		2004	2004 Median		2003	2003 Median		2002	2002 Median	
		Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA
1	Dietary	6.05	-	-	#DIV/0!	-	-	#DIV/0!	6.10	5.70	#DIV/0!	6.01	5.60
2	Food Purchase	4.62	-	-	#DIV/0!	-	-	#DIV/0!	4.31	4.11	#DIV/0!	4.27	4.09
3	Housekeeping	6.33	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.61	#DIV/0!	3.65	3.48
4	Laundry	2.32	-	-	#DIV/0!	-	-	#DIV/0!	1.85	2.13	#DIV/0!	1.90	2.23
5	Heat & Other Utilities	3.28	-	-	#DIV/0!	-	-	#DIV/0!	2.95	2.95	#DIV/0!	2.71	2.73
6	Maintenance	3.26	-	-	#DIV/0!	-	-	#DIV/0!	3.01	2.82	#DIV/0!	2.99	2.92
8	Total General Services	25.87	-	-	#DIV/0!	-	-	#DIV/0!	22.58	21.73	#DIV/0!	22.09	22.04
10	Nursing & Medical Records	28.23	-	-	#DIV/0!	-	-	#DIV/0!	41.83	42.15	#DIV/0!	40.68	41.16
10A	Therapy	5.50	-	-	#DIV/0!	-	-	#DIV/0!	2.10	2.24	#DIV/0!	1.85	2.27
11	Activities	1.43	-	-	#DIV/0!	-	-	#DIV/0!	1.91	1.54	#DIV/0!	1.88	1.60
12	Social Services	1.85	-	-	#DIV/0!	-	-	#DIV/0!	1.42	1.27	#DIV/0!	1.44	1.32
16	Total Health Care & Programs	37.08	-	-	#DIV/0!	-	-	#DIV/0!	49.48	49.49	#DIV/0!	47.55	47.76
17	Administration	6.47	-	-	#DIV/0!	-	-	#DIV/0!	3.36	3.17	#DIV/0!	3.39	3.54
19	Professional Services	0.63	-	-	#DIV/0!	-	-	#DIV/0!	0.99	0.77	#DIV/0!	0.98	0.72
21	Clerical & Gen. Office Expense	10.85	-	-	#DIV/0!	-	-	#DIV/0!	4.79	4.25	#DIV/0!	4.58	4.31
22	Employee Benefits & PR Taxes	7.68	-	-	#DIV/0!	-	-	#DIV/0!	10.09	9.08	#DIV/0!	9.63	8.44
24	Travel & Seminar	0.01	-	-	#DIV/0!	-	-	#DIV/0!	0.08	0.07	#DIV/0!	0.09	0.09
26	Insurance-Property, Liability & Malpractice	0.47	-	-	#DIV/0!	-	-	#DIV/0!	2.58	2.61	#DIV/0!	2.19	2.03
28	Total General Administrative	27.18	-	-	#DIV/0!	-	-	#DIV/0!	24.94	22.93	#DIV/0!	23.47	21.93
29	Total Operating Expenses	90.12	-	-	#DIV/0!	-	-	#DIV/0!	98.06	94.71	#DIV/0!	94.39	91.33
30	Depreciation	3.95	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.38	#DIV/0!	3.53	3.04
32	Interest	2.05	-	-	#DIV/0!	-	-	#DIV/0!	2.54	1.50	#DIV/0!	2.73	1.54
33	Real Estate Taxes	4.74	-	-	#DIV/0!	-	-	#DIV/0!	1.38	1.11	#DIV/0!	1.30	1.03
37	Total Ownership	10.93	-	-	#DIV/0!	-	-	#DIV/0!	11.11	8.39	#DIV/0!	11.44	10.00
	Total Operating and Ownership Cost	101.05	-	-	#DIV/0!	-	-	#DIV/0!	103.10	103.10	#DIV/0!	105.83	101.30

Notes:

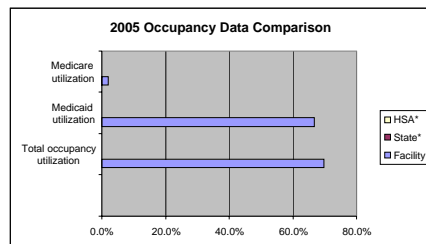
Your Facility data is from page 3, column 8 of each of your respective Medicaid cost reports, divided by the respective annual census.

The 2005, 2004, 2003 & 2002 Median Cost Per Day, for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.



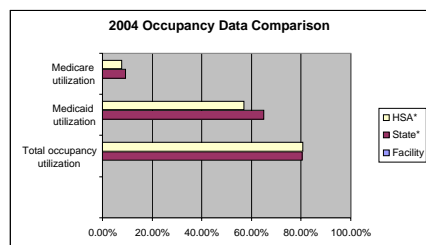
2005

	Your		
	Facility	State*	HSA*
Total occupancy utilization	69.71%	0.00%	0.00%
Medicaid utilization	66.82%	0.00%	0.00%
Medicare utilization	2.06%	0.00%	0.00%
Private pay percent utilization	0.61%	N/A	N/A
Capacity in Patient Days	116,070	N/A	N/A
Census days of service provided	80,912	N/A	N/A



2004

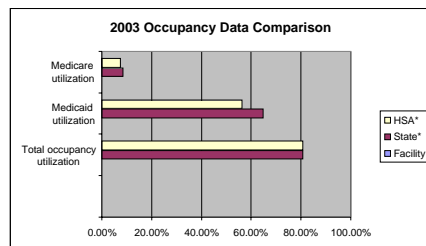
	Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.50%	80.70%
Medicaid utilization	#DIV/0!	65.00%	57.00%
Medicare utilization	#DIV/0!	9.40%	7.70%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days	N/A	N/A	N/A
Census days of service provided	N/A	N/A	N/A



* State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

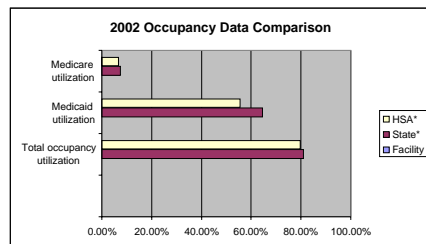
2003

	Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.80%	80.80%
Medicaid utilization	#DIV/0!	64.80%	56.40%
Medicare utilization	#DIV/0!	8.50%	7.50%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days	N/A	N/A	N/A
Census days of service provided	N/A	N/A	N/A

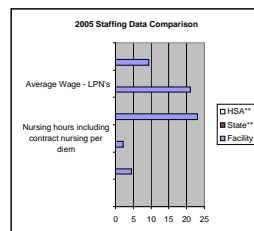


2002

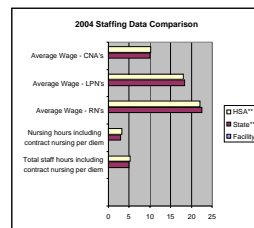
	Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.90%	79.60%
Medicaid utilization	#DIV/0!	64.50%	55.50%
Medicare utilization	#DIV/0!	7.40%	6.80%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days	N/A	N/A	N/A
Census days of service provided	N/A	N/A	N/A



2005			
Your			
Facility	State**	HSA**	
Total staff hours including contract nursing per diem	4.53	0.00	0.00
Nursing hours including contract nursing per diem	2.09	0.00	0.00
Average Wage - RN's	22.99	0.00	0.00
Average Wage - LPN's	21.07	0.00	0.00
Average Wage - CNA's	9.44	0.00	0.00

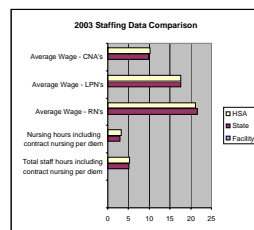


2004			
Your			
Facility	State**	HSA**	
Total staff hours including contract nursing per diem	5.00	5.30	
Nursing hours including contract nursing per diem	3.00	3.20	
Average Wage - RN's	22.54	22.05	
Average Wage - LPN's	18.40	18.02	
Average Wage - CNA's	10.02	10.13	

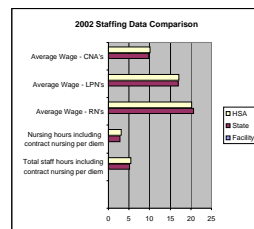


** State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

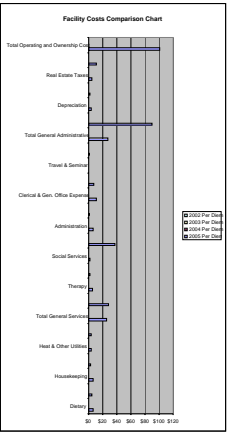
2003			
Your			
Facility	State	HSA	
Total staff hours including contract nursing per diem	5.10	5.30	
Nursing hours including contract nursing per diem	2.90	3.20	
Average Wage - RN's	21.56	21.14	
Average Wage - LPN's	17.64	17.65	
Average Wage - CNA's	9.91	10.11	



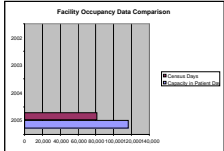
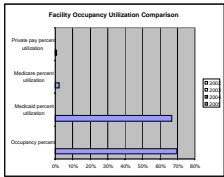
2002			
Your			
Facility	State	HSA	
Total staff hours including contract nursing per diem	5.20	5.50	
Nursing hours including contract nursing per diem	2.80	3.10	
Average Wage - RN's	20.69	20.12	
Average Wage - LPN's	16.89	17.04	
Average Wage - CNA's	9.73	10.05	



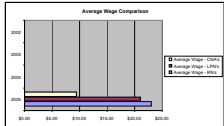
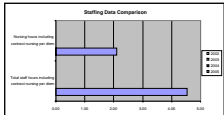
Cost Report Line	Account	Year 2003	Year 2004	Year 2005	Year 2006
		Facility	Facility	Facility	Facility
		2003	2004	2005	2006
		Per Bed	Per Bed	Per Bed	Per Bed
1	Steno	4.05	4500.00	4500.00	4500.00
2	Food Purchase	4.42	4500.00	4500.00	4500.00
3	Housekeeping	4.33	4500.00	4500.00	4500.00
4	Laundry	3.32	4500.00	4500.00	4500.00
5	Heat & Other Utilities	3.28	4500.00	4500.00	4500.00
6	Maintenance	3.26	4500.00	4500.00	4500.00
7	Total General Services	25.67	4500.00	4500.00	4500.00
10	Nursing & Medical Records	28.23	4500.00	4500.00	4500.00
10A	Therapy	3.36	4500.00	4500.00	4500.00
11	Activities	1.42	4500.00	4500.00	4500.00
12	Social Services	1.85	4500.00	4500.00	4500.00
16	Total Health Care & Programs	37.08	4500.00	4500.00	4500.00
17	Administration	4.47	4500.00	4500.00	4500.00
19	Professional Services	6.42	4500.00	4500.00	4500.00
21	Medical & Gen. Office Expense	10.85	4500.00	4500.00	4500.00
22	Telephone, Business & PR Taxes	3.68	4500.00	4500.00	4500.00
24	Travel & Lodging	0.85	4500.00	4500.00	4500.00
26	Insurance-Property, Liability & Malpractice	6.47	4500.00	4500.00	4500.00
26	Total General Administration	27.35	4500.00	4500.00	4500.00
29	Total Operating Expenses	60.12	4500.00	4500.00	4500.00
30	Depreciation	3.05	4500.00	4500.00	4500.00
32	Interest	3.48	4500.00	4500.00	4500.00
33	Real Estate Taxes	4.74	4500.00	4500.00	4500.00
37	Total Ownership	10.93	4500.00	4500.00	4500.00
	Total Operating and Ownership Cost	71.05	4500.00	4500.00	4500.00



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Occupancy percent	82.71%	4500.00	4500.00	4500.00
Medicaid percent utilization	68.82%	4500.00	4500.00	4500.00
Medicare percent utilization	2.88%	4500.00	4500.00	4500.00
Private pay percent utilization	68.17%	4500.00	4500.00	4500.00
Capacity in Patient Days	116,070	0	0	0
Census Days	68,342	0	0	0



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Total staff hours including contract nursing per day	4.32	0.00	0.00	0.00
Nursing hours including contract nursing per day	2.88	0.00	0.00	0.00
Average Wage - BSN	22.98	0.00	0.00	0.00
Average Wage - LPN	17.07	0.00	0.00	0.00
Average Wage - CNA	8.48	0.00	0.00	0.00



	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjusted Adjustments	Adjusted Total
1. Dietary	442,092	31,273	15,815	489,180	0	489,180	0	489,180
2. Food Purchase	0	380,563	0	380,563	0	380,563	-6,380	374,183
3. Housekeeping	419,354	92,522	0	511,876	0	511,876	593	512,469
4. Laundry	158,734	28,919	0	187,653	0	187,653	0	187,653
5. Heat and Other Utilities	0	0	261,250	261,250	0	261,250	4,224	265,474
6. Maintenance	130,240	111,537	20,995	262,772	0	262,772	1,316	264,088
7. Other (specify)*	0	0	0	0	0	0	0	0
8. Total General Services	1,150,420	644,814	298,060	2,093,294	0	2,093,294	-247	2,093,047
9. Medical Director	0	0	5,500	5,500	0	5,500	0	5,500
10. Nursing & Medical Records	2,243,002	20,286	23,842	2,287,130	0	2,287,130	-2,605	2,284,525
10a. Therapy	0	0	444,646	444,646	0	444,646	0	444,646
11. Activities	113,142	2,956	0	116,098	0	116,098	0	116,098
12. Social Services	149,453	0	0	149,453	0	149,453	0	149,453
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	0	0
16. Total Health Care & Programs	2,505,597	23,242	473,988	3,002,827	0	3,002,827	-2,605	3,000,222
17. Administrative	210,000	0	531,000	741,000	0	741,000	-217,217	523,783
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	52,425	52,425	0	52,425	-1,328	51,097
20. Fees, Subscriptions & Promotion	0	0	19,993	19,993	0	19,993	130	20,123
21. Clerical & General Office	646,430	0	68,487	714,917	0	714,917	163,223	878,140
22. Employee Benefits & Payroll	0	0	615,175	615,175	0	615,175	6,629	621,804
23. Inservice Training & Education	0	0	0	0	0	0	0	0
24. Travel and Seminar	0	0	1,125	1,125	0	1,125	78	1,203
25. Other Admin. Staff Trans	0	0	32,045	32,045	0	32,045	688	32,733
26. Insurance-Prop.Liab.Malpractice	0	0	35,831	35,831	0	35,831	2,484	38,315
27. Other (specify)*	0	0	0	0	0	0	31,630	31,630
28. Total General Adminis	856,430	0	1,356,081	2,212,511	0	2,212,511	-13,683	2,198,828
29. Total General Administrative	4,512,447	668,056	2,128,129	7,308,632	0	7,308,632	-16,535	7,292,097
30. Depreciation	0	0	88,104	88,104	0	88,104	231,196	319,300
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	9,509	9,509	0	9,509	156,372	165,881
33. Real Estate	0	0	376,001	376,001	0	376,001	7,601	383,602
34. Rent - Facility & Grounds	0	0	986,592	986,592	0	986,592	-986,592	0
35. Rent - Equipment & Vehicles	0	0	13,018	13,018	0	13,018	2,477	15,495
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	1,473,224	1,473,224	0	1,473,224	-588,946	884,278
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	46,189	0	46,189	0	46,189	0	46,189
40. Barber and Beauty Shop	0	0	0	0	0	0	0	0
41. Coffee and Gift Shops	0	0	0	0	0	0	0	0
42	0	0	174,105	174,105	0	174,105	0	174,105
43. Other (specify):*	0	0	17,246	17,246	0	17,246	-17,246	0
44. Total Special Cost Ce	0	46,189	191,351	237,540	0	237,540	-17,246	220,294
45. Grand Total	4,512,447	714,245	3,792,704	9,019,396	0	9,019,396	-622,727	8,396,669

	Operating	After Consolidation
General Service Cost Center		
1. Cash on hand and in banks	152,977	282,031
2. Cash - Patient Deposits	6,790	6,790
3. Accounts & Notes Recievable	1,993,681	1,993,681
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	63,075	63,075
7. Other Prepaid Expenses	0	0
8. Accounts Receivable-Owner/Related Party	0	0
9. Other (specify):	354,952	297,666
10. Total current assets	2,571,475	2,643,243
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	0	0
13. Land	70,784	335,784
14. Buildings, at Historical Cost	0	5,300,000
15. Leasehold Improvements, Historical Cost	1,280,382	2,103,586
16. Equipment, at Historical Cost	1,710,436	1,637,176
17. Accumulated Depreciation (book methods)	-1,805,887	-7,370,410
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	0	26,899
23. other (specify):	0	0
24. Total Long-Term Assets	1,255,715	2,033,035
25. Total Assets	3,827,190	4,676,278
CURRENT LIABILITIES		
26. Accounts Payable	244,990	247,240
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	10,188	10,188
29. Short-Term Notes Payable	0	0
30. Accrued Salaries Payable	87,214	87,214
31. Accrued Taxes Payable	23,005	23,005
32. Accrued Real Estate Taxes	400,000	400,000
33. Accrued Interest Payable	0	14,749
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	169,502	169,502
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	934,899	951,898
LONG TERM LIABILITES		
39.Long-Term Notes Payable	0	1,992,942
40.Mortgage Payable	0	0
41.Bonds Payable	0	0
42.Deferred Compensation	0	0
43.Other Long-Term Liabilities (specify):	0	0
44.Other Long-Term Liabilities (specify):	0	0
45.Total Long-Term Liabilities	0	1,992,942
46.Total Liabilities	934,899	2,944,840
47.Total Equity	2,892,291	1,731,438
48.Total Liabilities and Equity	3,827,190	4,676,278

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	9,725,194
2. Discounts and Allowances for all Levels	0
Subtotal - Inpatient Care	9,725,194
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	442,357
7. Oxygen	8,580
Subtotal - Ancillary Revenue	450,937
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	0
13. Barber and Beauty Care	0
14. Non-Patient Meals	0
15. Telephone, Television, and Radio	0
16. Rental of Facility Space	0
17. Sale of Drugs	0
18. Sale of Supplies to Non-Patients	0
19. Laboratory	0
20. Radiology and X-Ray	0
21. Other Medical Services	0
22. Laundry	0
Subtotal - Other Operating Revenue	-
24. Contributions	0
25. Interest and Other Investments Income	46,526
Subtotal - Non-Operating Revenue	46,526
27. Other Revenue (specify):	146
28. Other Revenue (specify):	0
Subtotal - Other Revenue	146
30. Total Revenue	10,222,803
31. General Services	2,093,294
32. Health Care	3,002,827
33. General Administration	2,212,511
34. Ownership	1,473,224
35. Special Cost Centers	63,435
35. Provider Participation Fee	174,105
37. Other	0
40. Total Expenses	9,019,396
41. Income Before Income Taxes	1,203,407
42. Income Taxes	0
43. Net Income or Loss for the Year	1,203,407

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UN-INFLATED

Cost Report	
Line	Description
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
8	TOTAL GENERAL SERVICES
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	TOTAL HEALTH CARE & PROGRAMS
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	TOTAL GENERAL ADMINISTRATIVE
29	TOTAL OPERATING EXPENSES
30	Depreciation
32	Interest
33	Real Estate Taxes
37	TOTAL OWNERSHIP
	TOTAL OPERATING & OWNERSHIP COST

Average Wage Data Table

Total staff hours including contract nurses per diem
Nursing hours including contract nurses per diem
RN
LPN
CNA
DON
ADON

2003 - Staffing and Occupancy Data

Average Occupancy
Medicaid Utilization
Medicare Utilization

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11

Kenwood
Healthcare
Center

Kenwood
Healthcare
Center

2005
Census

Cost Report	
Line	Description
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
8	TOTAL GENERAL SERVICES
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	TOTAL HEALTH CARE & PROGRAMS
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	TOTAL GENERAL ADMINISTRATIVE
29	TOTAL OPERATING EXPENSES
30	Depreciation
32	Interest
33	Real Estate Taxes
37	TOTAL OWNERSHIP
	TOTAL OPERATING & OWNERSHIP COST

80,912

LTC Median Per Diem Cost by HSA - 2004 Cost Reports
2004 (Run June 1, 2004)

**Kenwood
Healthcar
e Center
2004
Costs**

Kenwood
Healthcare Center
2004
Census

Cost Report	
<u>Line</u>	<u>Description</u>
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
8	TOTAL GENERAL SERVICES
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	TOTAL HEALTH CARE & PROGRAMS
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	TOTAL GENERAL ADMINISTRATIVE
29	TOTAL OPERATING EXPENSES
30	Depreciation
32	Interest
33	Real Estate Taxes
37	TOTAL OWNERSHIP
	TOTAL OPERATING & OWNERSHIP COST

2003 - Staffing and Occupancy Data

	State- Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
Total staff hours including contract nurses per diem	5.00	5.30	5.30	5.30	5.30	5.10	4.80	4.80	4.80	5.10	5.30	5.20
Nursing hours including contract nurses per diem	3.00	3.20	3.20	3.30	3.20	3.10	2.80	2.80	2.80	3.10	3.20	3.10
RN	22.54	22.05	20.73	19.72	20.73	17.47	25.72	25.72	25.72	23.44	22.05	20.42
LPN	18.84	18.02	17.23	15.4	17.23	13.87	21.06	21.06	21.06	19.99	18.02	17.13
CNA	10.02	10.13	10.03	9.32	10.03	8.4	10.52	10.52	10.52	10.53	10.13	9.84
DON	28.97	27.38	25.17	23.86	25.17	22.23	34.39	34.39	34.39	30.41	27.38	25.97
ADON	25.23	23.95	21.85	19.41	21.85	19.13	28.74	28.74	28.74	26.68	23.95	23.77

	State- Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
Average Occupancy	80.50%	80.70%	80.40%	78.10%	80.40%	74.40%	81.80%	81.80%	81.80%	82.90%	80.70%	78.10%
Medicaid Utilization	65.00%	57.00%	56.70%	58.50%	56.70%	61.80%	70.60%	70.60%	70.60%	64.50%	57.00%	60.60%
Medicare Utilization	9.40%	7.70%	8.90%	9.30%	8.90%	8.80%	9.90%	9.90%	9.90%	10.30%	7.70%	8.90%

IDPA LTC Profiles
LTC Median Per Diem Cost by HSA - 2003 Cost Reports
2003 (Run June 1, 2004)

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Kenwood
Healthcare
Center

Kenwood
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re Center

2003
Census

Cost Report Line	Description	State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	10th %	90th %
			1	2	3	4	5	6	7	8	9	10		
1	Dietary	6.10	7.02	6.48	5.50	6.48	5.48	6.06	6.06	6.06	5.60	7.02	4.13	9.81
2	Food Purchase	4.31	4.47	4.40	4.27	4.40	3.99	4.31	4.31	4.31	4.28	4.47	3.36	6.04
3	Housekeeping	3.70	3.59	3.68	2.91	3.68	3.40	4.05	4.05	4.05	3.97	3.59	2.48	5.80
4	Laundry	1.85	2.23	1.90	1.79	1.90	2.10	1.59	1.59	1.59	1.69	2.23	0.91	3.14
5	Heat & Other Utilities	2.95	3.17	2.93	2.94	2.93	2.71	2.93	2.93	2.93	2.91	3.17	2.05	4.25
6	Maintenance	3.01	3.26	3.03	2.99	3.03	2.55	3.21	3.21	3.21	3.05	3.26	1.92	5.12
8	TOTAL GENERAL SERVICES	22.58	24.49	22.99	21.14	22.99	21.47	22.65	22.65	22.65	22.45	24.49	17.57	31.51
10	Nursing & Medical Records	41.83	42.52	43.12	38.37	43.12	33.78	45.12	45.12	45.12	47.22	42.52	27.25	64.47
10A	Therapy	2.10	1.86	2.69	3.34	2.69	3.47	1.45	1.45	1.45	2.41	1.86	-	10.55
11	Activities	1.91	2.18	1.92	1.61	1.92	1.48	2.16	2.16	2.16	2.05	2.18	1.06	3.45
12	Social Services	1.42	1.45	1.64	1.05	1.64	1.09	1.60	1.60	1.60	1.12	1.45	0.58	3.00
16	TOTAL HEALTH CARE & PROGRAMS	49.48	50.39	51.22	46.39	51.22	41.58	52.34	52.34	52.34	54.96	50.39	32.10	77.23
17	Administration	3.36	3.33	3.15	3.15	3.15	3.60	3.46	3.46	3.46	3.04	3.33	1.71	7.21
19	Professional Services	0.99	1.09	0.85	0.83	0.85	0.76	1.12	1.12	1.12	1.13	1.09	0.07	3.44
21	Clerical & Gen. Office Expense	4.79	4.32	4.97	3.98	4.97	3.46	5.56	5.56	5.56	5.04	4.32	2.49	10.78
22	Employee Benefits & PR Taxes	10.09	10.42	11.01	8.88	11.01	7.67	10.51	10.51	10.51	11.38	10.42	6.33	19.34
24	Travel & Seminar	0.08	0.10	0.13	0.10	0.13	0.13	0.06	0.06	0.06	0.05	0.10	-	0.43
26	Insurance-Property, liability & Malpractice	2.58	2.47	2.55	2.35	2.55	2.22	2.85	2.85	2.85	2.19	2.47	0.88	4.32
28	TOTAL GENERAL ADMINISTRATIVE	24.94	25.31	26.11	23.02	26.11	21.37	25.81	25.81	25.81	26.59	25.31	16.95	39.14
29	TOTAL OPERATING EXPENSES	98.06	100.77	100.03	92.47	100.03	88.05	100.96	100.96	100.96	103.01	100.77	69.40	142.56
30	Depreciation	3.70	3.82	4.08	3.29	4.08	2.54	4.11	4.11	4.11	3.54	3.82	1.01	8.43
32	Interest	2.54	2.81	1.96	2.09	1.96	1.41	4.05	4.05	4.05	2.63	2.81	-	11.53
33	Real Estate Taxes	1.38	0.92	1.08	0.82	1.08	0.80	3.20	3.20	3.20	1.36	0.92	-	4.85
37	TOTAL OWNERSHIP	11.11	9.73	9.80	8.00	9.80	7.04	14.54	14.54	14.54	11.02	9.73	3.76	23.58
	TOTAL OPERATING & OWNERSHIP COST	109.17	110.50	109.83	100.47	109.83	95.09	115.50	115.50	115.50	114.03	110.50	73.16	166.14

Average Wage Data Table

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Total staff hours including contract nurses per diem	5.10	5.30	5.30	5.00	5.30	5.10	4.90	4.90	4.90	5.10	5.30	5.30
Nursing hours including contract nurses per diem	2.90	3.20	3.10	3.10	3.10	3.00	2.70	2.70	2.70	3.00	3.20	3.10
RN	21.56	21.14	19.99	18.79	19.99	16.66	24.55	24.55	24.55	22.85	21.14	20.33
LPN	17.64	17.65	16.41	14.79	16.41	13.36	20.23	20.23	20.23	18.67	17.65	16.45
CNA	9.91	10.11	9.89	9.19	9.89	8.28	10.44	10.44	10.44	10.54	10.11	9.76
DON	27.82	26.67	24.49	23.07	24.49	20.82	33.29	33.29	33.29	29.65	26.67	24.62
ADON	24.39	22.67	21.12	19.67	21.12	18.73	27.45	27.45	27.45	26.14	22.67	22.50

2003 - Staffing and Occupancy Data

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Average Occupancy	80.80%	80.80%	80.60%	79.90%	80.60%	75.20%	82.00%	82.00%	82.00%	81.60%	80.80%	77.30%
Medicaid Utilization	64.80%	56.40%	57.70%	59.60%	57.70%	62.80%	70.00%	70.00%	70.00%	64.30%	56.40%	59.30%
Medicare Utilization	8.50%	7.50%	7.50%	7.70%	7.50%	8.70%	9.10%	9.10%	9.10%	9.30%	7.50%	8.00%

IDPA LTC Profiles
LTC Median Per Diem Cost by HSA - 2002 Cost Reports
2002 (Run June 1, 2004)

UN-INFLATED

Cost Report	State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	10th %	90th %
Line	Description	1	2	3	4	5	6	7	8	9	10	11		
1	Dietary	6.01	7.28	6.51	5.36	6.51	5.48	5.92	5.92	5.83	7.28	5.60	4.17	9.77
2	Food Purchase	4.27	4.52	4.40	4.15	4.40	3.99	4.31	4.31	4.31	4.11	4.52	3.29	5.90
3	Housekeeping	3.65	3.84	3.56	3.05	3.56	3.25	4.13	4.13	3.89	3.84	3.48	2.51	5.63
4	Laundry	1.90	2.15	2.01	1.72	2.01	2.09	1.67	1.67	1.58	2.15	2.23	1.10	3.13
5	Heat & Other Utilities	2.71	2.84	2.76	2.75	2.76	2.54	2.67	2.67	2.72	2.84	2.73	1.89	4.03
6	Maintenance	2.99	3.41	2.96	2.91	2.96	2.48	3.16	3.16	2.90	3.41	2.92	1.95	5.11
8	TOTAL GENERAL SERVICES	22.09	24.39	22.49	20.85	22.49	20.47	22.71	22.71	22.66	24.39	22.04	17.19	30.80
10	Nursing & Medical Records	40.68	42.79	42.10	37.44	42.10	33.35	43.96	43.96	43.84	42.79	41.16	26.11	62.04
10A	Therapy	1.85	1.90	2.38	2.86	2.38	1.81	1.54	1.54	3.02	1.90	2.27	-	10.03
11	Activities	1.88	2.12	1.89	1.50	1.89	1.37	2.23	2.23	2.10	2.12	1.60	1.13	3.39
12	Social Services	1.44	1.46	1.50	1.08	1.50	1.13	1.61	1.61	1.32	1.46	1.32	0.58	3.00
16	TOTAL HEALTH CARE & PROGRAMS	47.55	50.19	49.32	44.36	49.32	39.56	50.57	50.57	52.75	50.19	47.76	31.31	74.79
17	Administration	3.39	3.49	3.30	3.27	3.30	3.61	3.39	3.39	3.20	3.49	3.54	1.65	6.84
19	Professional Services	0.98	1.00	0.76	0.88	0.76	0.98	1.05	1.05	1.05	1.19	1.00	0.07	2.93
21	Clerical & Gen. Office Expense	4.58	4.07	4.40	3.67	4.40	3.47	5.75	5.75	4.19	4.07	4.31	2.36	10.72
22	Employee Benefits & PR Taxes	9.63	10.11	10.26	8.28	10.26	7.80	10.26	10.26	9.30	10.11	8.44	6.22	17.51
24	Travel & Seminar	0.09	0.12	0.10	0.09	0.10	0.16	0.06	0.06	0.03	0.12	0.09	-	0.37
26	Insurance-Property, liability & Malpractice	2.19	1.93	1.97	1.87	1.97	2.00	2.46	2.46	2.40	1.93	2.03	0.83	3.92
28	TOTAL GENERAL ADMINISTRATIVE	23.47	23.64	24.80	21.32	24.80	20.28	25.17	25.17	23.10	23.64	21.93	16.13	36.02
29	TOTAL OPERATING EXPENSES	94.39	99.26	97.46	85.50	97.46	82.47	99.35	99.35	97.86	99.26	91.33	67.15	138.58
30	Depreciation	3.53	3.13	3.86	3.26	3.86	2.41	4.18	4.18	3.94	3.13	3.04	0.73	8.09
32	Interest	2.73	2.84	2.05	2.60	2.05	1.55	4.55	4.55	2.14	2.84	1.54	-	12.86
33	Real Estate Taxes	1.30	0.77	0.88	0.93	0.88	0.72	3.17	3.17	1.29	0.77	1.03	-	5.05
37	TOTAL OWNERSHIP	11.44	9.19	9.85	8.76	9.85	6.52	15.35	15.35	11.40	9.19	10.00	3.55	24.50
	TOTAL OPERATING & OWNERSHIP COST	105.83	108.45	107.31	94.26	107.31	88.99	114.70	114.70	109.26	108.45	101.30	70.70	163.08

Cost Report	State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	10th %	90th %
Line	Description	1	2	3	4	5	6	7	8	9	10	11		
1	Dietary	6.01	7.28	6.51	5.36	6.51	5.48	5.92	5.92	5.83	7.28	5.60	4.17	9.77
2	Food Purchase	4.27	4.52	4.40	4.15	4.40	3.99	4.31	4.31	4.31	4.11	4.52	3.29	5.90
3	Housekeeping	3.65	3.84	3.56	3.05	3.56	3.25	4.13	4.13	3.89	3.84	3.48	2.51	5.63
4	Laundry	1.90	2.15	2.01	1.72	2.01	2.09	1.67	1.67	1.58	2.15	2.23	1.10	3.13
5	Heat & Other Utilities	2.71	2.84	2.76	2.75	2.76	2.54	2.67	2.67	2.72	2.84	2.73	1.89	4.03
6	Maintenance	2.99	3.41	2.96	2.91	2.96	2.48	3.16	3.16	2.90	3.41	2.92	1.95	5.11
8	TOTAL GENERAL SERVICES	22.09	24.39	22.49	20.85	22.49	20.47	22.71	22.71	22.66	24.39	22.04	17.19	30.80
10	Nursing & Medical Records	40.68	42.79	42.10	37.44	42.10	33.35	43.96	43.96	43.84	42.79	41.16	26.11	62.04
10A	Therapy	1.85	1.90	2.38	2.86	2.38	1.81	1.54	1.54	3.02	1.90	2.27	-	10.03
11	Activities	1.88	2.12	1.89	1.50	1.89	1.37	2.23	2.23	2.10	2.12	1.60	1.13	3.39
12	Social Services	1.44	1.46	1.50	1.08	1.50	1.13	1.61	1.61	1.32	1.46	1.32	0.58	3.00
16	TOTAL HEALTH CARE & PROGRAMS	47.55	50.19	49.32	44.36	49.32	39.56	50.57	50.57	52.75	50.19	47.76	31.31	74.79
17	Administration	3.39	3.49	3.30	3.27	3.30	3.61	3.39	3.39	3.20	3.49	3.54	1.65	6.84
19	Professional Services	0.98	1.00	0.76	0.88	0.76	0.98	1.05	1.05	1.05	1.19	1.00	0.07	2.93
21	Clerical & Gen. Office Expense	4.58	4.07	4.40	3.67	4.40	3.47	5.75	5.75	4.19	4.07	4.31	2.36	10.72
22	Employee Benefits & PR Taxes	9.63	10.11	10.26	8.28	10.26	7.80	10.26	10.26	9.30	10.11	8.44	6.22	17.51
24	Travel & Seminar	0.09	0.12	0.10	0.09	0.10	0.16	0.06	0.06	0.03	0.12	0.09	-	0.37
26	Insurance-Property, liability & Malpractice	2.19	1.93	1.97	1.87	1.97	2.00	2.46	2.46	2.40	1.93	2.03	0.83	3.92
28	TOTAL GENERAL ADMINISTRATIVE	23.47	23.64	24.80	21.32	24.80	20.28	25.17	25.17	23.10	23.64	21.93	16.13	36.02
29	TOTAL OPERATING EXPENSES	94.39	99.26	97.46	85.50	97.46	82.47	99.35	99.35	97.86	99.26	91.33	67.15	138.58
30	Depreciation	3.53	3.13	3.86	3.26	3.86	2.41	4.18	4.18	3.94	3.13	3.04	0.73	8.09
32	Interest	2.73	2.84	2.05	2.60	2.05	1.55	4.55	4.55	2.14	2.84	1.54	-	12.86
33	Real Estate Taxes	1.30	0.77	0.88	0.93	0.88	0.72	3.17	3.17	1.29	0.77	1.03	-	5.05
37	TOTAL OWNERSHIP	11.44	9.19	9.85	8.76	9.85	6.52	15.35	15.35	11.40	9.19	10.00	3.55	24.50
	TOTAL OPERATING & OWNERSHIP COST	105.83	108.45	107.31	94.26	107.31	88.99	114.70	114.70	109.26	108.45	101.30	70.70	163.08

2002 - Average Wage Data Table

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Total staff hours including contract nursing per diem	5.20	5.50	5.40	5.00	5.40	5.10	5.00	5.00	4.90	5.50	5.30	
Nursing hours including contract nurses per diem	2.80	3.10	3.10	3.00	3.10	2.90	2.60	2.60	2.60	3.10	3.00	
RN	20.69	20.12	19.18	18.37	19.18	16.06	23.49	23.49	23.49	21.31	20.12	19.45
LPN	16.89	17.04	15.72	14.33	15.72	12.75	19.39	19.39	19.39	17.96	17.04	15.69
CNA	9.73	10.05	9.65	9.09	9.65	8.08	10.28	10.28	10.28	10.39	10.05	9.62
DON	26.38	24.75	22.98	22.48	22.98	20.02	31.78	31.78	31.78	28.56	24.75	23.68
ADON	23.27	21.44	20.51	18.93	20.51	17.26	26.34	26.34	26.34	24.33	21.44	21.27

2002 - Staffing and Occupancy Data

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Average Occupancy	80.90%	79.60%	81.90%	80.30%	81.90%	75.30%	82.20%	82.20%	82.20%	82.00%	79.60%	76.60%
Medicaid Utilization	64.50%	55.50%	56.10%	58.50%	56.10%	63.30%	69.90%	69.90%	69.90%	66.70%	55.50%	60.90%
Medicare Utilization	7.40%	6.80%	7.20%	6.10%	7.20%	7.40%	7.70%	7.70%	7.70%	8.20%	6.80%	7.00%